MULTIMEDIA UNIVERSITY®

STUDENT ID NO

MULTIMEDIA UNIVERSITY

FINAL EXAMINATION

TRIMESTER 2, 2016 / 2017

PBU0054 – FUNDAMENTALS OF BUSINESS MANAGEMENT

(All Sections)

3 MARCH 2017
3.00PM - 5.00PM
(2 Hours)

INSTRUCTIONS TO STUDENT

1. This question paper consists of **THREE** pages with **FIVE** questions only.
2. Attempt **ALL** questions. All questions carry equal marks and the distribution of the marks for each question is given.
3. Write your answers in the Answer Booklet.

ESSAYS [100 MARKS]

Instructions: Answer ALL questions. Write your answers in the Answer Booklet.

QUESTION 1

a) Although all managers plan, organise, lead, and control, not all managers have the same degree of responsibility for these activities. List the **THREE** basic levels of management and provide **ONE** responsibility for each.

(6 marks)

b) The starting point in effective strategic management is setting goals. State the **FOUR** main purposes of setting goals in an organisation.

(4 marks)

c) Sunwill Group had recently proposed a trend-setting eco-friendly mall to be located in a high density neighbourhood. The CEO wants some feedback from your department on a few matters. As a planning and development manager, you are required to present your views to the board of directors and prepare a write up to the investors. Your write up should include the following:

i) Define Delegation.

(1 mark)

ii) Briefly explain the delegation process.

(6 marks)

d) List the **THREE** forms of authority.

(3 marks)

[TOTAL 20 MARKS]

QUESTION 2

a) Apple Inc. estimates the consumer demand for its Mac computers. Apple's strategy is to purchase raw materials and reserve manufacturing capacity ahead of time to maximise the cost efficiencies of buying materials in bulk quantities and doing large production runs. Apple and its contract manufacturers then produce a specific quantity of each Mac model and ship them from the factory to the Apple stores and other retail outlets for sale. On the other hand, Dell builds computers only after they have received the order and thus knows exactly what product the customer wanted. In contrast to Apple customers, when Dell customers place an order, they anticipate that they will have to wait a few days for the computer to be produced and delivered.

What type of goods production process being adopted by Apple and Dell respectively? Explain the differences.

(4 marks)

Continued...

b) List the **FOUR** types of operation scheduling.

(4 marks)

c) One of the tools for Total Quality Management is business process reengineering. Briefly explain business process reengineering.

(2 marks)

d) The concept of emotional intelligence provides some interesting insights into personality. Explain **FIVE** dimensions of emotional intelligence.

(10 marks)
[TOTAL 20 MARKS]

QUESTION 3

a) When managers have determined that new employees are needed to understand the legal context in which they operate, they must then turn their attention to recruiting and hiring the right mix of people. Briefly explain the difference between internal recruiting and external recruiting.

(2 marks)

b) Once the recruiting process has attracted a pool of applicants, the next step is to select someone to hire. List **TWO** of the selection device that can be used by employers.

(2 marks)

c) An impasse occurs when, after a series of bargaining session, management and labour have failed to reach consensus. Management and labour union can use several tactics to support its cause until the impasse is resolved. Explain **THREE** examples of union tactics.

(6 marks)

d) Both Samsung and Apple are the largest manufacturers of smartphones in the world. What type of competition are they facing? Briefly explain.

(4 marks)

e) To sustain their competitive advantage, marketers need to understand the behaviour of their consumers. Discuss the **FOUR** major influences on consumer behaviour.

(6 marks)
[TOTAL 20 MARKS]

QUESTION 4

a) Discuss the difference of production items, expense items, and capital items. Give an example for each item.

(6 marks)

b) Please answer the following questions:
   i) Kea Farm sells strawberries to local markets at RM10 per box and local markets charge consumers for RM25 per box. What is the markup percentage? (Show your working)

(2 marks)

Continued...

ii) If Kea Farm's fixed cost for producing strawberries is at RM200,000 and its variable cost per box is RM2. How many boxes would the company have to sell at RM10 per box to break even? (Show your working)

(2 marks)

c) What is accounting? Identify the potential users of accounting information.

(6 marks)

d) Please answer the following questions:

i) Julie's company has fixed assets of RM4 billion and current assets of RM1.7 billion. The company's long-term liabilities is RM2 billion and current liabilities is RM0.34 billion. What is Julie's current ratio?

(2 marks)

ii) Based on your answer in part (i), do you think that Julie's company is capable in paying off its current debt? Why?

(2 marks)

[TOTAL 20 MARKS]

QUESTION 5

a) Briefly explain the roles of commercial banks, savings and loan associations, mutual savings bank and credit union. Give **TWO** examples of commercial banks in Malaysia.

(6 marks)

b) Name the **TWO** United Nations agencies that facilitate international trade.

(2 marks)

c) Describe the risk-return relationship. Two tools can be used to help investors to achieve the desired risk-return balance for an investment portfolio. Name and briefly explain the tools.

(6 marks)

d) Please answer the following questions:

i) Geena receives an annual dividend payment of RM1.56 for a share that she bought last year. If the current price of the share is RM34.94, what is the current dividend yield?

(2 marks)

ii) Suppose Geena bought the share for RM31.25, and sold it one year later for RM34.94, how much has the share price appreciated?

(2 marks)

iii) Based on the information from part (i) and (ii), what is the total return as a percentage of Geena's investment?

(2 marks)

[TOTAL 20 MARKS]

End of Paper